

# **EXHIBIT N**



April 1, 2024

Mr. Michael Doweary  
Receiver for the City of Chester  
Department of Community & Economic Development  
Commonwealth Keystone Building  
400 North Street, 4th Floor  
Harrisburg, PA 17120-0225

Chairwoman Livia Smith  
Chester Stormwater Authority  
31 E 5<sup>th</sup> Street  
Chester, PA 19013

Dear Chairwoman Smith,

I am writing to follow up on the email sent by City of Chester Mayor Stefan Roots to Executive Manager Dr. Horace Strand on March 12, 2024. In his email, Mayor Roots requested that Dr. Strand provide information regarding the Authority's financial and real estate assets, budget, and debts, by March 15, 2024. Despite the request being made, Dr. Strand has not yet provided the requested documents.

According to the Recovery Plan confirmed by the Pennsylvania Supreme Court on January 29, 2024, the proper management of the debt and financial obligations of the City of Chester, along with its authorities, including the Stormwater Authority, is integral to recovery. Therefore, I am renewing Mayor Roots' request and asking that the Authority provide the following information by April 10, 2024 to me at [mdoweary@pa.gov](mailto:mdoweary@pa.gov):

1. A copy of the March 2024 bank statement for SACC
2. Any budget to actual report for 2023 and 2024
3. A copy of the Annual Budget for the Fiscal Year ending December 2024
4. Any cash flow projections for the Fiscal Year ending December 2024
5. Terms of the agreement with PennVest regarding renegotiation of recent loan payments
6. 2025-2029 rate projections
7. For all buildings owned by SACC:
  - a. Description of the square footage and use of the property including the number of employees that work at the location and personal property assets at the location.
  - b. Date each property was acquired and acquisition documents including any related financing documents.
  - c. Copies of any current leases or subleases related to the properties.

This request is made under the following Plan initiatives:

**LEG09: Debt management under receivership**

The Receiver's Plan requires that "the distressed municipality and authorities" pay their lawful financial obligations, which include debt obligations, municipal securities, lease rental obligations, legal obligations, and consensual modifications of existing obligations. The City paid these obligations in 2020, and the 2021 budget provides for their payment this year.



As stated in the City's Emergency Action Plan, the City and its authorities shall not incur any other debt without the Receiver's written approval. This includes issuing any new debt, including short-term cash borrowings, and refunding or refinancing existing debt. For any debt-related requests, the City shall provide a minimum of the following to the Receiver's office for review:

- Type of debt transaction
- Reason for the debt transaction
- Any transaction costs
- Principal amount of debt incurred
- Anticipated annual debt service payments, including interest, for all years
- Key terms of borrowing
- Proposed source for repaying debt
- City's total debt schedule before and after the transaction (i.e. what's the net impact)

This extends without limitation to the Chester Economic Development Authority (CEDA), the Redevelopment Authority of the City of Chester (CRA), the Chester Parking Authority, and the Stormwater Authority of the City of Chester.

In undertaking any debt issuances, the City shall use independent, certified professionals as financial advisors, underwriter, and bond counsel. All professionals supporting a bond transaction undertaken by the City should be selected competitively wherever possible. Professionals not selected through a competitive bid will be subject to the Receiver's review and approval.

**New Initiative: Duty to Provide Information**

All City elected officials, employees, and contractors shall be required to provide any information requested by the Receiver or the Chief of Staff in furtherance of their responsibilities. This initiative shall also apply to authorities with respect to information requested by the Receiver.

Please let me know if there is any reason why the Authority cannot produce all of the requested information by the specified date.

Sincerely,

A handwritten signature in black ink, appearing to read "M.T. Doweary".

Michael T. Doweary  
Receiver  
City of Chester, Pennsylvania

CC: Dr. Horace Strand (via email)